

July 27, 2017

The Manager - Listing Department
National Stock Exchange of India Limited
Bandra Kurla Complex, Bandra (East)
Mumbai - 400 051
NSE Scrip Code: IDFCBANK

The Manager - Listing Department
BSE Limited
1st Floor, P.J. Towers, Dalal Street,
Mumbai - 400 001
BSE Scrip Code: 539437

Dear Sirs,

Sub: Outcome of the 25th Board Meeting of IDFC Bank Limited

Please find enclosed a copy of the Unaudited Financial Results (subjected to limited review by Statutory Auditors) of IDFC Bank Limited for the quarter ended June 30, 2017 reviewed by the Audit Committee on July 26, 2017 and approved by the Board of Directors on July 27, 2017, together with a copy of the Limited Review Report issued by the Statutory Auditors of the Bank, Deloitte Haskins & Sells, Chartered Accountants on the aforesaid Unaudited Financial Results.

The Board Meeting commenced at 11 a.m and concluded at 1.25 p.m.

Kindly take note of the same.

Thanking you,

Yours faithfully,

For IDFC Bank Limited


Mahendra N. Shah
Company Secretary & Chief Compliance Officer



Encl.: As above

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF IDFC BANK LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **IDFC BANK LIMITED** (the "Bank") for the Quarter ended June 30, 2017 ("the Statement"), being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except for the matters set out in paragraph 4 below.

This Statement, which is the responsibility of the Bank's Management and approved by the Board of Directors, has been prepared in accordance with the accounting principles generally accepted in India along with the recognition and measurement principles laid down in Accounting Standard 25 for "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder in so far as they apply to banks and circulars and guidelines issued by the Reserve Bank of India (RBI) from time to time. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review of the unaudited financial results for the quarter ended June 30, 2017 conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standard, along with the other accounting principles generally accepted in India, in so far as they apply to banks, and circulars and guidelines issued by the RBI from time to time, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that the financial results for the quarter ended June 30, 2017 contain any material misstatement or have not been prepared in accordance with the relevant prudential norms

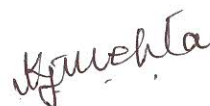


issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters.

4. The "Pillar 3 disclosures, the leverage ratio and the liquidity coverage ratio under Basel III Capital Regulation" as set out in Note 6 of the accompanying Statement have not been subjected to our review.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Firm's Registration No. 117365W)



Kalpesh J. Mehta

Partner
(Membership No. 48791)

CHENNAI, 27 July, 2017



IDFC Bank Limited

Registered Office: KRM Towers, 7th Floor, No. 1 Harrington Road, Chetpet, Chennai 600031, Tamilnadu

CIN : L65110TN2014PLC097792

Statement of Unaudited Financial Results for the quarter ended June 30, 2017 (Standalone)

Sr. No.	Particulars	Quarter ended 30.06.2017 (Unaudited)	Quarter ended 31.03.2017 (refer note 7) (Audited)	Quarter ended 30.06.2016 (Unaudited)	Year ended 31.03.2017 (Audited)
1	Interest Earned (a) + (b) + (c) + (d)	214514.57	222337.74	197545.31	853271.45
	(a) Interest / discount on advances / bills	114868.50	127351.56	126923.58	508841.82
	(b) Income on investments	97221.71	90607.97	68778.17	328878.22
	(c) Interest on balances with Reserve Bank of India and other inter- bank funds	124.78	2191.80	104.07	5721.37
	(d) Others	2299.58	2186.41	1739.49	9830.04
2	Other Income (refer note 2)	64883.41	5627.35	21260.28	101311.56
3	TOTAL INCOME (1+2)	279397.98	227965.09	218805.59	954583.01
4	Interest Expended	175712.64	172129.95	147657.48	651539.43
5	Operating Expenses (i) + (ii) + (iii) + (iv) + (v)	38936.11	29810.41	27661.05	127697.64
	(i) Employees cost	16541.08	9480.13	13157.98	57362.20
	(ii) Rent, taxes and lighting	2708.11	2650.40	2866.37	11231.78
	(iii) Depreciation on bank's property	3917.57	3664.70	2776.98	13434.42
	(iv) Professional fees	4260.45	4947.68	3136.65	15425.05
	(v) Other operating expenses	11508.90	9067.50	5723.07	30244.19
6	TOTAL EXPENDITURE (4+5) (Excluding Provisions and Contingencies)	214648.75	201940.36	175318.53	779237.07
7	Operating Profit (3-6) (Profit Before Provisions and Contingencies)	64749.23	26024.73	43487.06	176945.94
8	Provisions (other than tax) and Contingencies (Net)	(1459.94)	479.66	2360.81	28250.38
9	Exceptional Items	-	-	-	-
10	Profit / (Loss) from Ordinary Activities before tax (7-8-9)	66209.17	25545.07	41126.25	147095.56
11	Tax Expense	22450.00	7950.01	14650.00	45121.78
12	Net Profit / (Loss) from Ordinary Activities after tax (10-11)	43759.17	17595.06	26476.25	101973.78
13	Extraordinary Items (Net of tax expense)	-	-	-	-
14	Net Profit / (Loss) for the period (12-13)	43759.17	17595.06	26476.25	101973.78
15	Paid-up Equity Share Capital (Face Value ₹ 10 per share) (refer note 3)	43759.17	17595.06	26476.25	101973.78
16	Reserves excluding Revaluation Reserves	340099.89	339900.62	339484.70	339900.62
17	Analytical Ratios				
	(i) Percentage of shares held by Government of India	7.69%	7.69%	7.69%	7.69%
	(ii) Capital adequacy ratio (Basel III) (refer note 4)	18.60%	18.90%	20.39%	18.90%
	(iii) Earnings per share (EPS) for the period / year (before and after extraordinary items) (not annualized) (refer note 3)				
	- Basic (₹)	1.29	0.52	0.78	3.00
	- Diluted (₹)	1.28	0.51	0.78	2.98
	(iv) NPA ratios (refer note 5)				
	(a) Amount of gross NPAs	200406.04	154210.14	302987.18	154210.14
	(b) Amount of net NPAs	80371.85	57647.24	111061.40	57647.24
	(c) % of gross NPAs to gross advances	4.13%	2.99%	6.09%	2.99%
	(d) % of net NPAs to net advances	1.70%	1.14%	2.32%	1.14%
	Return on assets (annualized)	1.52%	0.63%	1.15%	1.04%

Segment Information in accordance with the Accounting Standard on Segment Reporting (AS 17) of the operating segments of the bank is as under :

Sr. No.	Particulars	Quarter ended 30.06.2017 (Unaudited)	Quarter ended 31.03.2017 (refer note 7) (Audited)	Quarter ended 30.06.2016 (Unaudited)	Year ended 31.03.2017 (Audited)
					(₹ in lakhs)
1	Segment Revenue				
	a Treasury	196943.78	151062.72	159794.92	675299.79
	b Wholesale Banking	114348.14	122758.72	130361.40	514464.06
	c Retail Banking	13559.05	10109.98	1703.88	24190.27
	d Other Banking Business	157.51	86.52	-	115.18
	e Unallocated	47.23	(45.44)	234.90	335.92
	Total Segment Revenue	325055.71	283972.50	292095.10	1214405.22
	Add/(Less) : Inter Segment Revenue	(45657.73)	(56007.41)	(73289.51)	(259822.21)
	Income from Operations	279397.98	227965.09	218805.59	954583.01
	Segment Results After Provisions & Before Tax				
2	a Treasury	57394.23	(6053.74)	18887.19	78196.33
	b Wholesale Banking	29902.60	47896.66	38870.68	142688.03
	c Retail Banking	(7984.46)	(7105.19)	(7678.76)	(34024.44)
	d Other Banking Business	(79.12)	86.52	-	115.18
	e Unallocated	(13024.08)	(9279.18)	(8952.86)	(39879.54)
	Total Profit Before Tax	66209.17	25545.07	41126.25	147095.56
	Segment Assets				
	a Treasury	6888879.11	5827057.11	5147963.78	5827057.11
	b Wholesale Banking	4328750.77	4765873.54	4636917.50	4765873.54
	c Retail Banking	479187.19	375600.45	126105.49	375600.45
	d Other Banking Business	36.06	115.18	-	115.18
	e Unallocated	227641.02	247319.53	258379.06	247319.53
	Total Segment Assets	11924494.15	11215965.81	10169365.83	11215965.81
4	Segment Liabilities				
	a Treasury	5897238.88	4946422.67	4465233.23	4946422.67
	b Wholesale Banking	4068861.81	4419976.85	4188683.09	4419976.85
	c Retail Banking	435496.21	373779.51	107303.22	373779.51
	d Other Banking Business	-	-	-	-
	e Unallocated	10386.01	7981.88	17893.05	7981.88
	Total Segment Liabilities	10411982.91	9748160.91	8779112.59	9748160.91
5	Capital Employed (Segment Assets - Segment Liabilities)	1512511.24	1467804.90	1390253.24	1467804.90

Business segments have been identified and reported taking into account the target customer profile, the nature of products, the organisation structure, internal business reporting system and the guidelines prescribed by the Reserve Bank of India (the RBI).

Notes:

- 1 The above financial results of the Bank have been prepared in accordance with the provisions of the Banking Regulation Act, 1949, Generally Accepted Accounting Principles in India, including Accounting Standards as specified under Section 133 of the Companies Act, 2013, Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 in so far as they apply to Banks, and the guidelines issued by the RBI. In addition, the Bank has automated its key operations with the key applications largely integrated with the core banking solutions and general ledger system. Accordingly, branch returns are not required to be submitted. These results for the quarter ended June 30, 2017 were reviewed by the Audit Committee on July 26, 2017, approved by the Board of Directors on July 27, 2017 and have been subjected to a "Limited Review" by the Statutory Auditors.
- 2 "Other Income" includes non-fund based income such as commission, fees, earnings from foreign exchange and derivative transactions and profit / (loss) from sale of investments. Other income for the quarter ended June 30, 2017 includes profit on sale of investments in the 'Held to Maturity (HTM)' category of ₹ 283.93 crore. Profit on sale of investments in the HTM category (net of applicable taxes and statutory reserves) of approximately ₹ 140.00 crore will be appropriated to Capital Reserve at year end in accordance with RBI guidelines.
- 3 During the quarter ended June 30, 2017, the Bank has issued 1992670 equity shares of face value of ₹10 each pursuant to the exercise of options under the Employee Stock Option Scheme.
- 4 The Board of Directors had proposed a dividend of ₹ 0.75 per share (7.50%) [(Previous Year ₹ 0.25 per share) (2.50%)] for the year ended March 31, 2017, subject to the approval of the shareholders at the ensuing Annual General Meeting. In terms of revised Accounting Standard (AS) 4 'Contingencies and Events occurring after the Balance sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, dated March 30, 2016, proposed dividend including dividend distribution tax of ₹ 307.01 crore is not recognised as a liability. Accordingly, the same has not been reckoned in capital funds for computing capital adequacy ratio as at June 30, 2017. Capital adequacy ratio after considering the impact of proposed dividend is 18.23% as at June 30, 2017.
- 5 The disclosures for NPA referred to in point 17(iv) above correspond to non performing advances.
- 6 In accordance with the RBI circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on 'Basel III Capital Regulations' and the RBI circular DBR.No.BP.BC. 80/21/21.06.201/2014-15 dated March 31, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments', banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III framework. The Bank has made these disclosures on its website at the link : <http://www.idfcbank.com/regulatory-disclosures.html>. These disclosures have not been subjected to audit or limited review by the Statutory Auditors of the Bank.
- 7 The figures for the quarter ended March 31, 2017 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year which was subject to limited review.
- 8 The Bank has followed the same significant accounting policies in the preparation of these financial results as those followed in the annual financial statements for the year ended March 31, 2017.
- 9 The figures for the previous quarter / period have been regrouped wherever necessary, in order to make them comparable.

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants



Kalpesh J. Mehta
Partner

Date: July 27, 2017
Place: Chennai

For and behalf of the Board
of IDFC Bank Limited



Rajiv B. Lall
Founder Managing Director & CEO